VWO
Vanguard FTSE Emerging Markets ETF

Analyst Report

VWO is one of the largest ETFs in the world, having been embraced by investors as an efficient way to establish exposure to emerging markets. Given the opportunity to establish broad-based exposure to the developing economies of the world, VWO may appeal to a number of different investors; this fund can be used as a short-term trading vehicle or as a core holding in a long-term, buy-and-hold portfolio. It should be noted, however, that VWO tends to attract longer-term investors; those with short time horizons gravitate towards EEM, which boasts a deep and active options market and generally experiences greater trading volumes.

VWO has become incredibly popular for a reason; the extremely low expense ratio charged by this ETF makes it a cheap way to access an asset class that is a critical component of any growth-oriented long-term strategy. The fact that VWO is available for commission-free trading on multiple platforms further enhances the appeal to cost-conscious investors. There's a lot to like about the balance of the portfolio as well; VWO invests in hundreds of stocks across dozens of different emerging markets in all corners of the globe, ensuring that no one market or sector has too significant an impact on performance.

There are, of course, plenty of intriguing alternatives to VWO. An equal-weighted fund from Rydex (EWEM) includes the same holdings as VWO but assigns an equivalent weight to each, making it potentially appealing for those seeking to avoid cap-weighted methodologies. WisdomTree's dividend-weighted DEM is another option for those who prefer alternative weightings strategies, as is PXH from PowerShares. Overall, VWO is a great option for long-term investors, offering balanced exposure at a low fee.

ESG Themes and Scores

<table>
<thead>
<tr>
<th>ESG Rate</th>
<th>Global Percentile</th>
<th>Peer Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.44/10</td>
<td>29.72%</td>
<td>14.09%</td>
</tr>
</tbody>
</table>

Performance Data

<table>
<thead>
<tr>
<th>Time Period</th>
<th>VWO</th>
<th>ETF Database Category Average</th>
<th>Factset Segment Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Month</td>
<td>4.71%</td>
<td>5.46%</td>
<td>5.01%</td>
</tr>
<tr>
<td>3 Month</td>
<td>2.80%</td>
<td>3.61%</td>
<td>3.45%</td>
</tr>
<tr>
<td>YTD Return</td>
<td>7.49%</td>
<td>10.08%</td>
<td>7.78%</td>
</tr>
<tr>
<td>1 Year Return</td>
<td>5.56%</td>
<td>8.97%</td>
<td>6.57%</td>
</tr>
<tr>
<td>3 Year Return</td>
<td>-2.95%</td>
<td>0.14%</td>
<td>-0.85%</td>
</tr>
<tr>
<td>5 Year Return</td>
<td>3.97%</td>
<td>2.51%</td>
<td>1.61%</td>
</tr>
</tbody>
</table>

Top 5 Holdings

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Holding</th>
<th>% Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2330</td>
<td>Taiwan Semiconductor Manufacturing Co., Ltd.</td>
<td>5.27%</td>
</tr>
<tr>
<td>700</td>
<td>Tencent Holdings Ltd.</td>
<td>3.64%</td>
</tr>
<tr>
<td>Other</td>
<td>Vanguard Cash Management Market Liquidity Fund</td>
<td>2.77%</td>
</tr>
<tr>
<td>9988</td>
<td>Alibaba Group Holding Limited</td>
<td>2.45%</td>
</tr>
<tr>
<td>500325</td>
<td>Reliance Industries Limited</td>
<td>1.43%</td>
</tr>
</tbody>
</table>

Vitals

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Vanguard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand</td>
<td>Vanguard</td>
</tr>
<tr>
<td>Structure</td>
<td>ETF</td>
</tr>
<tr>
<td>Expense Ratio</td>
<td>0.08%</td>
</tr>
<tr>
<td>Inception</td>
<td>Mar 04, 2005</td>
</tr>
<tr>
<td>Index Tracked</td>
<td>FTSE Custom Emerging Markets All Cap China A Inclusion Net Tax (US RIC) Index</td>
</tr>
</tbody>
</table>

ETF Database Themes

<table>
<thead>
<tr>
<th>Category</th>
<th>Emerging Markets Equities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Class</td>
<td>Equity</td>
</tr>
<tr>
<td>Asset Class Size</td>
<td>Large-Cap</td>
</tr>
<tr>
<td>Asset Class Style</td>
<td>Blend</td>
</tr>
<tr>
<td>Region (General)</td>
<td>Emerging Markets</td>
</tr>
<tr>
<td>Region (Specific)</td>
<td>Broad</td>
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</tbody>
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FactSet Classifications

<table>
<thead>
<tr>
<th>Segment</th>
<th>Equity: Emerging Markets</th>
<th>Size and Style</th>
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<tbody>
<tr>
<td>Category</td>
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<tr>
<td>Focus</td>
<td>Total Market</td>
<td></td>
</tr>
<tr>
<td>Niche</td>
<td>Broad-based</td>
<td></td>
</tr>
<tr>
<td>Strategy</td>
<td>Vanilla</td>
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</tr>
<tr>
<td>Weighting</td>
<td>Market Cap</td>
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